

House File 2341 - Introduced

HOUSE FILE 2341

BY HEATON

A BILL FOR

- 1 An Act relating to disclosure requirements for the sale or
- 2 rental of certain property that was used for the manufacture
- 3 of methamphetamine and making penalties applicable.
- 4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 124C.7, Code 2014, is amended to read as
2 follows:

3 **124C.7 Rulemaking authority.**

4 1. The department shall adopt rules, in consultation with
5 the department of public health, to do the following:

6 a. Establish disclosure statement requirements for purposes
7 of sections 558A.4, 562A.13, and 562B.14 regarding whether real
8 property has been used for the manufacture of methamphetamine,
9 its salts, isomers, or salts of isomers.

10 b. Establish methamphetamine cleanup standards for the
11 cleanup of real property that has been used for the manufacture
12 of methamphetamine, its salts, isomers, or salts of isomers if
13 the cleanup is performed by a person or entity other than the
14 department.

15 2. The department may adopt rules pursuant to chapter 17A
16 necessary to administer this chapter.

17 Sec. 2. Section 558A.4, subsection 1, Code 2014, is amended
18 by adding the following new paragraph:

19 NEW PARAGRAPH. *Ob.* (1) The disclosure statement shall
20 include information relating to whether the real property has
21 been used for the manufacture of methamphetamine, its salts,
22 isomers, or salts of isomers, consistent with rules adopted by
23 the department of public safety pursuant to section 124C.7,
24 subsection 1.

25 (2) This paragraph shall not require the disclosure of the
26 use of the real property in the manufacture of methamphetamine,
27 its salts, isomers, or salts of isomers if, after such use
28 terminates, the property is cleaned up by a person or entity
29 in accordance with the methamphetamine cleanup standards
30 established by the department of public safety pursuant to
31 section 124C.7, subsection 1, or by the department.

32 Sec. 3. Section 562A.13, Code 2014, is amended by adding the
33 following new subsection:

34 NEW SUBSECTION. 7. *a.* If the property has been used
35 for the manufacture of methamphetamine, its salts, isomers,

1 or salts of isomers, the landlord or a person authorized to
2 enter into a rental agreement on behalf of the landlord shall
3 provide a disclosure statement to each prospective tenant in
4 writing before the commencement of the tenancy notifying the
5 prospective tenant of such use, consistent with rules adopted
6 by the department of public safety pursuant to section 124C.7,
7 subsection 1.

8 *b.* This subsection shall not require the disclosure of the
9 use of the property in the manufacture of methamphetamine,
10 its salts, isomers, or salts of isomers if, after such use
11 terminates, the property is cleaned up by a person or entity
12 in accordance with the methamphetamine cleanup standards
13 established by the department of public safety pursuant to
14 section 124C.7, subsection 1, or by the department.

15 Sec. 4. Section 562B.14, Code 2014, is amended by adding the
16 following new subsection:

17 NEW SUBSECTION. 8. *a.* If the property has been used
18 for the manufacture of methamphetamine, its salts, isomers,
19 or salts of isomers, the landlord or a person authorized to
20 enter into a rental agreement on behalf of the landlord shall
21 provide a disclosure statement to each prospective tenant in
22 writing before the commencement of the tenancy notifying the
23 prospective tenant of such use, consistent with rules adopted
24 by the department of public safety pursuant to section 124C.7,
25 subsection 1.

26 *b.* This subsection shall not require the disclosure of the
27 use of the property in the manufacture of methamphetamine,
28 its salts, isomers, or salts of isomers if, after such use
29 terminates, the property is cleaned up by a person or entity
30 in accordance with the methamphetamine cleanup standards
31 established by the department of public safety pursuant to
32 section 124C.7, subsection 1, or by the department.

33 EXPLANATION

34 The inclusion of this explanation does not constitute agreement with
35 the explanation's substance by the members of the general assembly.

1 This bill relates to property used for the manufacture of
2 methamphetamine by requiring that disclosures be made prior to
3 the lease or transfer of the property if the property has not
4 been cleaned up after such use terminates.

5 The bill requires the department of public safety to
6 adopt rules, in consultation with the department of public
7 health, to establish disclosure statement requirements and to
8 establish methamphetamine cleanup standards for the cleanup
9 of real property that has been used for the manufacture of
10 methamphetamine, its salts, isomers, or salts of isomers if
11 the cleanup is performed by a person or entity other than the
12 department.

13 The bill requires that the transferor or lessor of real
14 property disclose whether the property has been used for the
15 manufacture of methamphetamine. The bill, however, provides
16 that disclosure is not required if the real property has
17 been cleaned up by a person or entity in accordance with
18 methamphetamine cleanup standards established by the department
19 of public safety or cleaned up by the department of public
20 safety.

21 Current Code section 714.8(20) provides that if real
22 property is being sold on contract, the contract seller is
23 guilty of a fraudulent practice if the seller intentionally
24 provides inaccurate information on matters required to be
25 included in a disclosure statement.

26 Under current Code sections 562A.3 and 562B.3, relating to
27 residential landlord and tenant laws, the principles of law
28 and equity, including fraud and misrepresentation, apply to
29 rental agreements entered into under those Code chapters unless
30 displaced by the provisions of the Code chapter.